

CLASSIFICATION **SECRET**
 SECURITY INFORMATION
 CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

25X1

REPORT

CD NO.

COUNTRY East Germany

DATE DISTR. 1 May 1953

SUBJECT Production Planning 1952 - 1953 at Carl Zeiss, Jena

NO. OF PAGES 2

PLACE ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

DATE OF INFO.

SUPPLEMENT TO
REPORT NO.

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THIS IS UNEVALUATED INFORMATION

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1. Until the end of February 1953, the Planning Department (Planstelle) of VEB Carl Zeiss, Jena, with a staff of about 80 persons headed by Erich Schreiber, was subdivided into three sections:

- a) Planning and procurement of tools and machine tools, headed by (fnu) Kraus;
- b) Planning of investments, headed by (fnu) Schlott;
- c) Planning of research and techniques, headed by (fnu) Irrisch.

In February Minister Gerhard Ziller of the Ministry for Machine Construction issued an order that the Planning Department be re-designated the Main Planning Department (Planungshauptabteilung) and, in addition to the above duties, also take over planning for the Production Department of the works. 1/ Until this change took effect, the Production Department had been responsible for its own plan, which was then coordinated with the investment plan evolved by the Planning Department. After the end of February 1953 the Main Planning Department is to be responsible for all plans - finance, investment, production, manpower, capacity, sales, research and development - and their coordination.

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3. The 1952 sales plan of VEB Carl Zeiss, Jena, amounting to a total of about 80 million DM, was fulfilled by 114 percent. 2/ The 1952 financial plan caused many difficulties; it was only fulfilled after the Russians paid, at the end of the year, for the A-1-p aerial training devices delivered by Zeiss in the course of 1952. The 1952 investment plan included a sum of 11 million DM for investment. Only about 10 million DM were actually spent for investments during the year so that there remained an investment excess of one million DM. Originally, only five million DM were approved for investment in 1952. In November 1951, however, the head of the State Planning Commission, then Heinrich Rau, personally came to the Zeiss works with approval for an additional six million DM for 1952 investment.

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25 YEAR RE-REVIEW

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4. The 1953 production plan was made known in the works on 1 December 1952. The plan includes expenditure of 114 million DME for the production of goods intended for sale (production plan), and the expenditure of 132 million DME for total production including goods and equipment not intended for sale but for use in the works (gross production plan, Bruttoproduktionsplan). The works had asked for 12 million DME in investment funds in 1953, but only 4.2 million DME were approved. The approved amount includes the 1952 investment excess of one million DME so that actually only 3.2 million DME were allowed for 1953 investments. ^{3/} Approval of the 1953 production and investment plans met with many difficulties. The Ministry changed the plans seven times between July and September 1952.
5. The works applied for approval of 10 to 11 million DME for research and development in 1953. Only 7.7 million DME have actually been approved so far. It is expected, however, that approval for an additional two million DME will be granted in the near future.
6. Over 50 percent of the 114 million DME value of planned 1953 production is expected to be sold abroad. The main foreign Zeiss customers are:

Russia (mainly for A-1 devices; sale of other products is unimportant);
 China (telescopes, microscopes, mobile motion picture apparatus);
 Poland (microscopes, precision measurement devices);
 Bulgaria (geodetic instruments);
 Hungary (Microscopes, spectrographs, measurement devices).

In terms of value, the 1953 production will roughly break down as follows:

Mobile motion picture apparatus (Tonfilmkoffer)	30 million DME
Microscopes	20 million DME
Precision measurement devices	12 million DME
A-1-p devices	10 million DME
Photo equipment, mainly objectives	10 million DME
Telescopes	10 million DME
Measurement devices	5 to 7 million DME
Medical instruments	5 million DME
Geodetic instruments	3 to 4 million DME
Astrophysical instruments	2 million DME

1/ Comment. This was one of the last orders issued by Gerhard Ziller to Zeiss. Since then the Ministry for General Machine Construction has been split off from Ziller's Ministry, and Zeiss placed under the new Ministry.

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2/ Comment. In a previous report, this figure was indicated as 108 percent.

3/ Comment. It appears extremely doubtful, if not outright impossible, that 1953 production can be expanded to 114 million DME from 1952's 80 million DME or, in terms of the gross production plan, to 132 million DME from about 100 million DME in 1952, with so small an investment fund.

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